

# FOREIGN POLICY BULLETIN

*An analysis of current international events*



1918-1949

FOREIGN POLICY ASSOCIATION • INCORPORATED • 22 EAST 38TH STREET • NEW YORK 16, N. Y.

VOL. XXVIII No. 14

JANUARY 14, 1949

## ***How Will Acheson Appointment Affect U.S. Diplomacy?***

WASHINGTON — President Truman's appointment on January 7 of Dean Acheson as Secretary of State, effective January 20 if the Senate confirms it, comes at an unsettled period in American foreign policy. When the retiring Secretary, George C. Marshall, took office in January 1947, the country was poised for the inauguration of a new policy of "firmness," which soon took the form of "containment," in dealing with the Soviet Union. During the last days of General Marshall's administration, however, the President manifested doubt about the desirability of maintaining the "cold war" stalemate in American-Russian relations which both Soviet policy and "containment" have brought about. "I'll spend my time in the next four years to reach an understanding on a basis that peace is possible with all nations," Mr. Truman said at Kansas City on December 27. He will rely on Acheson to ascertain for him whether the inauguration of the peaceful relationship he wants is in the realm of possibility. If any change is to come from the new State Department administration, however, it will be slow in making its appearance. The distrust the two great powers feel for each other is too profound to permit swift reconciliation. The President himself expressed the distrust when, at the same time that he spoke of his wish for peace, he said that "contracts are not sacred with the Soviet government" and Russia "has a set of morals that are not morals."

### ***Acheson as Secretary***

Acheson, who was Assistant Secretary of State from 1941 to 1945 and Under-Secretary

from 1945 to 1947, has a reputation for possessing greater flexibility than General Marshall, but he is not associated with any tendency to conciliate the Soviet Union at the expense of American interests or to seek agreement merely for agreement's sake. His recent statements indicate that he shares the general suspicion of Russian motives in international relations. On February 10, 1947, he said: "Russian foreign policy is an expanding and an aggressive one." Last September he spoke of "the intense Soviet effort to extend its domination." The overriding question which the new State Department administration will have to answer is not whether we want to develop a policy of conciliation but whether the United States and Russia can generate the attitudes of mutual trust which make the results of the ordinary give and take of political negotiation acceptable. No agreement with the Soviet Union would last if Paul G. Hoffman, administrator of the Economic Cooperation Administration, was correct in his statement of January 6, when he returned from abroad, that the *Polit bureau* in Moscow is attempting "to take over the world." Profound re-examination by Russia of the validity of its charges that the United States is a "warmonger" and by the United States of its intimations that the same goes for Russia is the necessary prologue to any realization of Mr. Truman's aspiration for peace among all nations.

The President's occasional observations about Russian-American relations reveal a desire to inculcate a spirit of trust and respect toward the United States by Russia

and to set Moscow right, as he considers it, concerning the motives underlying American foreign policy, on the assumption that a correct interpretation by the Kremlin of this country's motives and objectives might affect the policies it pursues. "I am counting on the backing of the entire people of the United States to persuade the Soviet government that peace is all we want," he said on December 27. Moreover, reports are current, but not confirmed, that the President believes the tension between the two great powers might relax if Russian officials understood clearly that the United States is unlikely to lose its strength and stability.

News reports distributed under official Soviet sponsorship now picture the United States on the verge of internal disaster. "Depression rules the industrial areas of the United States, as the economic crisis is expected to grow more severe. No worker can be sure of his job," the Soviet-controlled *National Zeitung* in Berlin said on January 6. The Moscow radio interpreted the President's address of January 6 to Congress on the State of the Union as an admission that the country suffers from economic and social debility. Such an interpretation of the condition of the United States could invite Russia to push its influence over distant areas in the belief, first, that the power of capitalist America is inevitably waning and, second, that the opportunity for Marxist revolution is coming in the United States. Correction of this misconception is said to have been one of the tasks the President assigned to Chief Justice Vinson last October, when he asked Vinson to go to Moscow. The

*Contents of this BULLETIN may be reproduced with credit to the Foreign Policy Association*

President then canceled the mission at the request of Secretary Marshall.

### ***Interest in Economic Affairs***

The instruments the United States uses to carry out its foreign policy aims affect the tension between this country and Russia. When Acheson previously served in the State Department, he stressed economic instruments above military instruments that keep mistrust alive. When he supported the Truman Doctrine program for aid to Greece and Turkey in the spring of 1947, he emphasized the desirability of reforming the Greek economy in order to stabilize Greek society and save it from communism, rather than of concentrating on the military undertakings that have come to dominate the Truman Doctrine in application. In his speech at Cleveland,

Mississippi, on May 8, 1947, which was the prelude to Secretary Marshall's "Marshall Plan" address of June 5 at Harvard, Acheson pointed out the usefulness of American credits as a means for restoring the health of foreign countries rather than as a device for insulating those countries from Russia. Later, however, he called the Marshall plan "the front line of American security." The emphasis on beneficial economic undertakings is in keeping with the suggestion of President Truman in his December 27 statement that the improvement of the lot of man, by such projects as the reclamation of the Mesopotamian valley, could further the cause of peace.

The postwar rise in the influence of the armed forces in United States foreign policy is due partly to the weakness of the State Department as an institution. Ach-

eson has shown an interest in strengthening the department by his work in recent months on the report of the Hoover Commission on the Organization of the Executive Branch that deals with foreign affairs agencies. Senatorial acceptance of the President's nomination of James E. Webb, now Director of the Budget, as Under-Secretary of State, to succeed the retiring Robert A. Lovett, would install in the State Department a specialist in public administration whose record indicates that he is competent to carry out whatever reforms the Hoover Commission proposes for the Department. However, only after the new Secretary takes office will the country know whether, and to what degree, the Administration intends to curb military influence on the making of foreign policy. BLAIR BOLLES

## ***Israeli Victories Cause Ground Swell in Arab Lands***

As preparations were being made for the opening of armistice negotiations by Israel and Egypt on the island of Rhodes under the auspices of the United Nations, Britain and Israel accused each other of violations of the truce reached on January 7 in response to a UN directive for a cease-fire. Meanwhile, the various forces which make for unity in the Arab world appeared for the present to be checked to a considerable extent by the re-emergence of strong divisive tendencies. Arab military reverses in the Negeb and in Western Galilee had shaken the political foundations of the Arab League. The solidarity which the League owed in the main to the impact of Zionism had begun to weaken. In the evolving political conflict among the several Arab states, Saudi Arabia seemed content to remain neutral for the time being. Syria and Lebanon were maintaining a close and uneasy watch from the sidelines. The actual contestants for political supremacy had been reduced to Egypt and Trans-Jordan. Britain remained the leading outside factor in this situation by virtue of its original sponsorship of the Arab League and of its continuing vital stakes in the region.

### ***Greater Syria Plan***

Abdullah has been cherishing the dream of a Greater Syria—which would comprise Trans-Jordan, Arab Palestine, Syria, Lebanon, and possibly also Iraq—ever since his failure, in 1920, to save for his brother Feisal the kingship over Syria. His efforts to date have been thwarted not so much

by the existing opposition of certain elements within Syria and Lebanon as by unalterable objections to the plan on the part of the rulers of Egypt and Saudi Arabia. The war in Palestine has resulted in a situation that is singularly favorable to Abdullah. His army, alone among the various Arab forces, has made a respectable showing. A settlement with Israel would by no means diminish his own prestige. But the first critical step towards that goal must be taken in Palestine; and it must have the backing of significant elements among Palestine's Arabs.

Egypt's defensive political maneuver against Abdullah was to set up an Arab government at Gaza, in September 1948, backed by the supporters of the former Mufti of Jerusalem, Haj Amin el-Husseini. Abdullah accepted the challenge. Working with a rival group of Palestine Arab leaders, the old Nashashibi faction, now centered at Jericho, Abdullah appointed in December his own Mufti of Jerusalem, the able and respected Hussan Meddin Jarallah. The next step would be to follow the mandate of the Jericho conference of December 1 and proclaim himself formally king of Arab Palestine. It would be a move fraught with great risks and dangers—to Arab solidarity, to the future of the Arab League, and to his own person.

### ***Britain's Balance of Power***

Britain's hand in this perilous game is not altogether a free one. Its policy, on being forced out of Palestine by a combi-

nation of circumstances, has been to keep a foot in the back door through an understanding with Abdullah, a long-time friend and subsidiary. To keep clear the path to that back door, among other reasons, Britain had modified its attitude toward Israel and at the UN General Assembly in Paris had come out in favor of the Bernadotte plan. This plan, giving Western Galilee to Israel, would keep the whole of the Negeb—a desert area in southern Palestine, but one of strategic as well of potential economic importance—in Arab hands, while otherwise favoring the partitioning of Palestine. Enhancement of Abdullah's power and prestige would therefore be very much in Britain's interest. In London's view, however, this must not lead to an open rift among the Arab states. Having staked so much on Arab friendship, having absorbed a succession of Arab rebuffs and drawn Churchill's censure on December 12 for its "sulky boycott" of Israel, the British Labor government could not very well stand passively by while the Arab League was breaking up. To prevent the situation from getting hopelessly out of hand, Britain—with one wary eye on the United States and the other on Russia—has been obliged to modify its categorical support of the Bernadotte plan.

Internal conditions in the several Arab states do not appear at this stage to be conducive to a clear-cut solution of the present inter-Arab impasse. In the battle for Palestine—a battle of conflicting rights—Arab leadership and the Arab press have

*(Continued on page 4)*

# The FPA's Contribution To Public Service

The distinguished author Marquis Childs, in his column *Washington Calling*, wrote as follows on November 5, 1948; three days after the elections, under the title "Ability Aplenty":

"There are reservoirs of ability and knowledge [for government service] that have not been tapped. In the universities, in such organizations as the Foreign Policy Association and the Council on Foreign Relations, are skilled experts who can take responsibility.

"They would come to Washington not because they want to take big houses and entertain in a showy way. They couldn't afford that even if they wanted it. They would come out of a sense of duty to work hard and earnestly."

On the occasion of its thirtieth anniversary the Foreign Policy Association is proud to report that members of its staff and Board of Directors have already made an impressive record of public service in a wide variety of fields connected with international affairs, as will be seen from the following list, arranged alphabetically:\*

## FORMER MEMBERS OF FPA STAFF

T. A. BISSON  
(Far East)

Member of Government Service at General MacArthur's H.Q. in Japan, 1946-47.

JOHN C. DEWILDE  
(Germany; France; Western European problems)

Chief of the Benelux and Scandinavian Branch of the Program Coordinating Division of the Economic Cooperation Administration.

LOUIS E. FRECHTLING  
(Mediterranean; Near East)

Assistant Chief, Division of Research for the Near East and Africa, Department of State.

DELIA GOETZ  
(Assistant to Washington Bureau director)

Specialist for the preparation and exchange of materials in the Division of International Educational Relations of the United States, Office of Education.

JAMES FREDERICK GREEN  
(British Commonwealth)

Associate Chief, Division of Dependent Area Affairs, Office of United Nations Affairs, Department of State.

WINIFRED N. HÄSSEL  
(France; Germany; Austria; Czechoslovakia)

Foreign Affairs Analyst on France in the Western European Branch, Division of Research for Europe, Office of Intelligence Research, Department of State.

C. GROVE HAINES  
(Assistant to president of FPA; author of studies on Italy and Trieste)

Research Attaché in Office of United States Consul General, Milan, Italy.

ERNEST S. HEDIGER  
(Economics)

Member of staff of UN Organization at Lake Success; attached to UN Balkan Committee in Greece, 1948.

WILLIAM A. KOREN, JR.  
(British Commonwealth)

Second Secretary, United States Embassy, Paris.

ELIZABETH P. MACCALLUM  
(Near East)

Officer, European Division, Canadian Department of External Affairs.

WILLIAM P. MADDOX  
(Assistant to the president of FPA)

Director, Foreign Service Institute, Department of State.

GRANT S. MCCLELLAN  
(Britain; British Commonwealth; Middle East; Economics)

Foreign Affairs Analyst in the Division of Research on the Near East and Africa, Department of State.

D. VERNON MCKAY  
(Colonial problems, especially Africa)

Specialist on Dependent Area Affairs in Division of Dependent Affairs in Office of United Nations Affairs; specializes in African trusteeship affairs.

FREDERICK T. MERRILL  
(Turkey; Philippines; Opium)

Division of Southern European Affairs, Department of State; now assigned to Army War College.

GEORGE NEBOLSINE  
(Russia)

Former Special Assistant to the Administrator of the Economic Cooperation Administration, 1948.

DAVID H. POPPER  
(American Foreign Policy; Military Problems of the United States; Latin America, etc.)

Assistant Chief, Division of United Nations Political Affairs; Specialist on the General Assembly, Department of State.

WILLIAM T. STONE  
(Editor of *Headline Books*; vice-president of the FPA; director of FPA Washington Bureau)

Special Assistant to the Assistant Secretary for Public Affairs, Department of State.

PAUL B. TAYLOR  
(Problems of International Organization)

Specialist in International Organization Affairs, Division of United Nations Political Affairs, Department of State.

CHARLES A. THOMSON  
(Central and South America; Spain)

Director, UNESCO staff of the Department of State; Executive Secretary of the National Commission of UNESCO.

HOWARD J. TRUEBLOOD  
(Latin America; Problems of Raw Materials)

Economic Adviser, Ethiopian Imperial Ministry of Commerce and Industry.

## FORMER OFFICERS AND PAST AND PRESENT MEMBERS OF BOARD

MRS. ANDREW G. CAREY  
(Board Member)

Expert Consultant for the Office of U.S. Military Government for Germany in 1948.

PROF. JOSEPH P. CHAMBERLAIN  
(Board Member)

Member of the Advisory Committee on Voluntary Foreign Aid, Department of State.

DR. PHILIP C. JESSUP  
(former Board Member)

Deputy U.S. Representative to the United Nations Security Council.

HERBERT L. MAY  
(Board Member)

President of the Permanent Central Opium Board and the Drug Supervisory Body of the United Nations.

JOHN J. MCCLOY  
(former Board Member)

President of the International Bank for Reconstruction and Development.

GENERAL FRANK R. MCCOY  
(President of FPA 1939-46)

U.S. Representative on and Chairman of the Far Eastern Commission.

JAMES G. McDONALD  
(Chairman of FPA 1919-33; honorary chairman of FPA)

Personal Representative of the President of the United States, American Commission, Tel Aviv, Israel.

JAMES GRAFTON ROGERS  
(Board Member)

Co-chairman of the Committee on Foreign Affairs of the Hoover Commission on the Organization of the Executive Branch.

MRS. FRANKLIN D. ROOSEVELT  
(former Board Member)

Chairman, Human Rights Commission, United Nations.

HON. H. ALEXANDER SMITH  
(Board Member)

U.S. Senator from New Jersey, member of Foreign Relations Committee.

CHARLES L. STILLMAN  
(Board Member)

Consultant and former chief, Technical Survey Mission, China Aid Program, ECA.

Of the present members of the FPA staff, Brooks Emeny, president since 1947, is consultant to the Department of State; Vera Micheles Dean, Research Director, served as consultant to the Office of Relief and Rehabilitation, and on Herbert H. Lehman's staff at the UNRRA conference at Atlantic City in 1943; and Blair Bolles, director of the FPA Washington Bureau, served as adviser to the Secretariat of the UN Food and Agriculture Organization at Copenhagen, September 1946.

Other Board and staff members and many Branch officers have performed and are performing valuable services in a wide variety of fields. Unfortunately *Bulletin* space does not permit enumeration.

\*The fields of research covered or offices held by members of the Board and the staff while serving with the Foreign Policy Association are indicated in brackets under each name.



(Continued from page 2)

served the people with enthusiasm more than with wisdom. Too many irresponsible promises and assertions have been made, and any retreat must take into account the possibility of serious internal disorders. Arab political and religious extremists are just as difficult to keep in check as are Jewish extremists. And public opinion seems to be far less set against extremism in Cairo or in Baghdad than it is in Tel Aviv. The recent assassination of Egypt's resolute Prime Minister, Mahmoud Fahmy Nokrashy Pasha, by a member of the fanatical religious group known as the Moslem Brotherhood, is the latest case in point. And Iraq's militant nationalism is partly a diversion from the perennial problem of the Kurds, the constant rivalry between the Sunni and the Shi's sects—which divide the country about evenly—and the country's mounting economic ills. The formation on January 6 of a new cabinet in Iraq, headed by the one-time Premier, General Nuri as-Said, who is regarded as pro-British, in contrast to other political figures who have been bitterly opposed to Britain, would indicate that Iraq will now follow a policy of co-operating with the British government. It is significant that, before assuming office, General Nuri is reported to have obtained the approval both of the British government and King Abdullah of Trans-Jordan—thus further widening the split in the Arab League.

Abdullah is said to have enjoyed in the past many a chess game with Moshe Shertok, Israel's present Minister of Foreign Affairs. The game in which he is now engaged involves incomparably greater stakes and infinitely graver risks and dangers. Like so much else in the Middle East, the outcome of the current contest between Arab leaders may have repercussions far beyond the borders of the Arab world.

E. A. SPEISER

(Dr. Ephraim A. Speiser, who has been in close touch with Near Eastern affairs since 1920, is chairman of the Department of Oriental Studies at the University of Pennsylvania. During the war he served as Chief of the Near East Section of the Office of Strategic Services. His most recent

## News in the Making

From Paris it is reported that *Georges Bidault*, leader of the *Mouvement Républicain Populaire* (MRP) and former Foreign Minister, is being invited by General de Gaulle to bring his parliamentary group, which combines Catholicism with Socialist ideas, over to the General's side. Bidault, who as one of the principal figures of wartime Resistance worked closely with de Gaulle during the war, had since been estranged from him. Should these negotiations succeed, de Gaulle would command a sufficient number of votes in the National Assembly to call for its dissolution and for new elections in which he hopes to win. . . . Frenchmen acquainted with criticisms of de Gaulle made by the United States during and since the war express anxiety concerning the effect such a development might have on *Franco-American* relations. . . . At a conference of the Premiers, and Defense and Foreign Ministers of *Norway, Sweden and Denmark* at Karlstadt, Sweden, on January 4-6, it was made clear again that Sweden, unlike Norway, is not prepared to abandon its traditional neutrality for the sake of the protection it might gain by adherence to the North Atlantic defense pact, and that Denmark is seeking to find some middle course between that pact, favored by Norway, and a Scandinavian defense bloc, favored by the Swedes. . . . Unless the Dutch succeed in working out some solution of the Indonesian controversy by January 20, extensive reaction against colonialism in general may develop at a *conference on Indonesia* called by the Indian government in New Delhi for that date. Countries reported as accepting the invitation include: Afghanistan, Australia, Burma, Ceylon, China, Egypt, Iran, Iraq, Lebanon, Nepal, New Zealand, Pakistan, the Philippines, Saudi Arabia, Syria, Trans-Jordan and Yemen. Siam and Turkey have declined. . . . Speculation that the United States may be attempting to soothe German agitation over the six-power agree-

book, *The United States and the Near East*, was published in 1947 by the Harvard University Press.)

## Branch & Affiliate Meetings

CLEVELAND, January 17, *World Cooperation—What are the Prospects for 1949?*, An International Panel

MINNEAPOLIS, January 19, *Role of the International Bank in World Affairs*, John J. McCloy

NEW ORLEANS, January 20, *Greece, the Key of Western Civilization*, Willie Snow Ethridge

MILWAUKEE, January 28, *Where is Our Russian Policy Leading?*, Herman Finer, Frederick L. Schuman

CLEVELAND, January 28-29, Annual Institute—*The Conflict of Ideas in the Modern World*

## Bipartisan Foreign Policy

Senator Vandenberg has declared that the Democrats in Congress had struck a blow at bipartisanship in foreign policy. How has bipartisan policy worked? READ:

BIPARTISANSHIP IN  
AMERICAN FOREIGN POLICY

by Blair Bolles

January 1, 1949 issue

*Foreign Policy Reports*—25 cents

Subscription \$5; to FPA members, \$4

*Balances of Payments, 1939-1945*, (1947.II.1). Lake Success, United Nations, Department of Economic Affairs, 1948. \$2.50

The League of Nations series of balance-of-payments reviews is continued in this volume which covers the years 1939 to 1945. Due to gaps in available information, only 24 countries are included. An attempt has been made to work out a standard form, but in many cases the nature of local statistics has necessitated deviations in the organization of the material. Full explanatory notes are given in each case.

ment for *international control of the Ruhr's* basic industries, announced December 28, was aroused by a letter from Jacob D. Beam, chief of the State Department's Division of Central European Affairs, dated January 3, in which he declared that this country would favor eventual return of the industries to German owners, although on a de-Nazified and noncartel basis.

FOREIGN POLICY BULLETIN. Vol. XXVIII, No. 14, JANUARY 14, 1949. Published weekly from September through May inclusive and biweekly during June, July and August by the Foreign Policy Association, Incorporated. National Headquarters, 22 East 38th Street, New York 16, N. Y. BROOKS EMEY, President; HELEN M. DAGGETT, Secretary; VERA MICHELES DEAN, Editor. Re-entered as second-class matter June 4, 1948, at the Post Office at New York, N. Y., under the Act of March 3, 1879. Four Dollars a Year. Please allow at least one month for change of address on membership publications.

F. P. A. Membership (which includes the Bulletin), Six Dollars a Year.

Produced under union conditions and composed and printed by union labor.